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Representative Joe Graves, Chairman
Commerce and Trade
Anderson House Office Building
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September 12, 2016

Chairman Graves and Members of the House Commerce and Trade Committee:

Recently, we were made aware of legislation (HB 5651 and 5652) that would amend the Hertel-Law T. Stopczynski Port Authority Act.

While we were not included in any work groups that may have taken place, several Saginaw River dock owners reviewed the proposed legislation. We understand that supporters would like to see this legislation passed by the end of the Legislative Session.

We have several serious concerns over HB 5651 and 5652 and respectfully request that this legislation not be passed out of your committee.

HB 5651 uses specific language that limits the communities eligible to between 165,000 and 195,000. Since Saginaw County's population exceeds this (as do many communities that provide shipping), this legislation limits those that could potentially take advantage of forming a port authority.

Saginaw Dock owners already pay taxes to 10 municipalities. This language creates yet another government bureaucracy with taxing authority. Little authority is given to private dock owners as to who would be appointed to a port authority board.

The US Army Corp of Engineers is currently about a year away from releasing a draft feasibility study of deepening the Saginaw River, to allow full-load shipping. We believe the study will show that the Saginaw River is optimal as a deep water port, and has the potential for expanding shipping along the approximate 17 miles of shipping channel. We would like the opportunity to decide whether to form a port authority. This legislation would exclude us.

We feel the Bay, Saginaw and Midland community EDCs, along with the GLBRA can do everything a Port Authority can do without the moral hazard of having taxing and bonding authority.

In the end, we would like to see this bill stalled in committee and any future work that is done to amend the PA act should include all stakeholders in the work group meetings.

Sincerely,

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